



# Waituna West School

“NOT FOR SCHOOL BUT FOR LIFE WE ARE LEARNING”

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## Finance Policy – NAG 4

### **RATIONALE:**

Section 75 of the Education Act 1989 places responsibility for the management, organisation and administration of a school on the Board of Trustees. Section 67 of the Act allows a Board to delegate any of its powers or functions to an employee, such as the Principal.

The Waituna West Board of Trustees is fully accountable and responsible for:

1. Allocation of funds to reflect school priorities.
2. Control of school expenditure.
3. Providing information for the effective preparation and auditing of annual accounts.

### **DEFINITION:**

This policy incorporates budgeting, monitoring, reporting, record keeping, financial responsibilities and financial delegations.

### **OBJECTIVES:**

1. To effectively manage the school's financial resources and use them to achieve the goals set within the Charter and Strategic Plan.
2. To maintain accountability for and control of the school's financial resources.
3. To safeguard the assets of the school for future generations of students.
4. To produce a budget for the coming year by 30th November and present it to the Board for approval.
5. To keep expenditure within budget.
6. To ensure all expenditure, and commitment of expenditure is approved within the Board's delegations.
7. To comply with the requests of Education Services- Wanganui. This company is employed to manage the schools finances and to prepare monthly and annual reports (for audit)

### **GUIDELINES:**

#### **Function of the Board:**

The Board of Trustees retains primary responsibility for the overall financial management of the school in accordance with governance obligations. From time to time it will delegate some of its authority and responsibilities to Committees and staff members, however in each of these cases it will retain an overseeing role.

#### **Specific Responsibilities Retained by the Board:**

The Board has retained the following financial management responsibilities:

1. Approval of the finance policy
2. Approval of all delegations
3. Approval of the annual budget
4. Approval of any expenditure in excess of budgeted levels.
5. In addition to this the Board will receive a monthly report from Education Services. This will be presented to the Principal and the Treasurer prior to the monthly meeting of the Board. The report will

summarise the school's performance against budget and outlining the expectations for the remainder of the Year.

### **Delegations Retained by the Board:**

1. The Board retains for itself and does not delegate to any executive management or staff position the following responsibilities:
2. Approval of all operating, capital, cashflow and property maintenance budgets and amendments to these budgets;
3. Commitment of operating expenditure for any invoice in excess of \$200 over budget totals or in excess \$2,500
4. The commitment or purchase of capital expenditure in excess of \$1000;
5. The disposal of fixed assets with a cost price in excess of \$1,000;
6. The transfer of money between any Board cheque and term deposit account in excess of \$5,000 and for a period longer than 12 months;
7. The appointment of any permanent staff and the salary and terms of conditions on which they are employed which are in excess of positions funded by Ministry of Education salaries grants;
8. The termination of employment of any paid employee;
9. Signing applications for special grants for additional buildings, agreements to build via the Ministry of Education's local office;
10. Formal communication and agreements with the Minister of Education and any other Minister of the Crown or Member of Parliament;
11. Responses to the Secretary of Education or any other permanent head of a Government department which was initiated by a report, written communication, request for information or required declaration received from such persons and addressed to the Board or Board Chairperson;
12. Interviews with the media and the distribution of media releases on any matter which involves the School;
13. The initiation of any legal actions and any communications in relation to these actions;
14. Signature of any formal or legal agreement that is in the name of the School and must involve the Board.
15. Note: These responsibilities are in addition to those specified in Acts and regulations by which the Board is bound.
16. The Board retains to right to appoint over MOE staffing funded teachers

### **Specific Responsibilities of the Principal / Treasurer**

1. Budget:
  - a. Consult with school's budget holders for budget preparation.
  - b. Ensure budgets are drafted.
  - c. Ensure the final budget is presented to the Board for approval.
2. Monitoring:
  - a. Monitor budget control and cash flow.
  - b. Report expenditure outside the budget to the Board.
3. Reporting:
  - a. Provide the Board of Trustees with a summary of the monthly Ed services report.
  - b. Ensure reports comply with legislation, authoritative accounting standards and generally accepted accounting principles.
  - c. Ensure that Education services present draft annual financial statements to the Board prior to 31 March.
  - d. Ensure that Education services present draft financial statements to the auditor by 31 March.
  - e. Present draft or final financial statements at the Annual General Meeting.
  - f. Ensure the audited financial statements are provided to the Ministry of Education by 31 May.
4. Provide Advice:

- a. Give advice to the Board as required about the school's financial management
  - b. Advise the Board of Trustees on financial procedures set out by the Ministry of Education
5. Record Keeping:
- a. Maintain a register setting out financial responsibilities and delegations
  - b. Provide Education services information so that the asset register may be accurately maintained.
  - c. Maintain appropriate accounting and purchasing procedures, and make recommendations to the Board on their implementation.

**Specific Responsibilities of the Principal:**

1. The Principal will manage this policy on the Board's behalf and ensure appropriate systems and procedures are in place to safeguard the school's assets.
2. As part of its approval the Board requires the Principal to circulate this Policy to all staff, and for a copy to be included in the Waituna West School Policy and Procedure Manual, copies of which shall be available to all staff. The school policy and procedure manual shall also be made available to parents at their request. The Board requires that the Principal arrange for all new staff to be made familiar with this Policy and other policies approved by the Board.

**Board Delegations to the Principal:**

The Board delegates to the Principal the responsibilities listed below:

1. The day-to-day curriculum and resource management of the school and the achievement of the Government's key achievement areas and requirements as specified in official educational policy documents;
2. The implementation of any other requirements specified by Act of Parliament, the Secretary of Education, any other permanent head of a Government department and for individual and collective employment contracts;
3. Approval of any orders for goods and services provided such an order will not exceed \$200 over the Board approved budget allocation for the expenditure item involved or up to the value of \$2,499
4. Transfers to at-call deposits of amounts less than \$5,001 and for periods less than 12 months;
5. Ordering fixed assets for which the capital expenditure has the prior approval of the Board;
6. The appointment of relieving and casual staff provided such appointment is within the budget allocation for this particular person and provided this delegation is not given to any other staff member;
7. Communication with parents, officials, representatives of educational organisations and other firms and organisations with whom the Principal deals as part of their curriculum and resource management responsibilities; and
8. Delegation in writing to specified staff positions of responsibilities according to the format set out below.
9. Notes: These responsibilities complement those responsibilities and achievements specified in the Principal's annual performance agreement with the Board.
10. During any absence of the Principal from the School for more than 5 days these delegations shall be exercised by the Acting Principal with the separate and prior approval of the Board Chairperson. In such an absence the Acting Principal and I will exercise these in terms of the requirements set out in the Board's Schedule of Delegations

**OUTCOMES, MONITORING AND REVIEW:**

The expected outcomes of effective implementation of this policy are:

The Waituna West Board of Trustees will:

1. Provide resources that benefit student learning outcomes, as outlined in the school charter.
2. Ensure the school is not put at financial risk.
3. Safeguard the school assets for future generations of students.
4. Maintain cash reserves of at least \$5000-00

**SIGNED**

Board Chairperson \_\_\_\_\_

Date: March 2015

School Principal \_\_\_\_\_

Date: March 2015

**FINANCIAL DELEGATIONS SCHEDULE (Annually ammended)**

I have read and understood this Schedule of Delegations. I accept responsibility for the proper execution of the delegations assigned to me as Principal and I will exercise these in terms of the requirements set out in the Board's Schedule of Delegations

. Date .

Anita Diana Phillips

Principal

The Principal shall use the following memorandum:

**Principal's Delegations to Specified Positions**

With the Board's delegation to me as Principal and with the Board's approval for me to delegate to a specified staff position I delegate to the position of Office Administrator the following responsibilities:

- 1) Approval of any orders for goods and services up to the value of \$500 and provided such an order will not exceed the Board approved budget allocation for (name of budget item or sub-budget item);

These delegations are to be exercised in terms of the Board's Schedule of Delegations.

Signed by the Principal

\_\_\_\_\_ on the .....day of.....2018

I accept responsibility for the proper execution of the delegations assigned to me as office Administrator and I will exercise these in terms of the requirements set out in the Board's Schedule of Delegations. I acknowledge that I cannot further delegate those powers delegated to me by the Principal.

Signed by

\_\_\_\_\_ Office Administrator

Dated.....day of.....2018